

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA
COMMISSION DIRECTIVE

ADMINISTRATIVE MATTER

DATE

September 25, 2019

MOTOR CARRIER MATTER

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DOCKET NO.

2019-3-E

UTILITIES MATTER

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ORDER NO.

**THIS DIRECTIVE SHALL NOT SERVE AS THE COMMISSION'S ORDER ON THIS ISSUE;
SUCH ORDER SHALL BE ISSUED AS WRITTEN ORDER NO. 2019-691**

SUBJECT:

[DOCKET NO. 2019-3-E](#) - Annual Review of Base Rates for Fuel Costs of Duke Energy Carolinas, LLC, Increasing Residential and Non-Residential Rates - Staff Presents for Commission Consideration Duke Energy Carolinas, LLC's Annual Review of Base Rates for Fuel Costs.

COMMISSION ACTION:

I move that we adopt a resolution of the case that is in general agreement with the joint proposed order of Duke Energy Carolinas, LLC, the Office of Regulatory Staff, and the South Carolina Energy Users Committee, and further move that a written order be issued before October 1, 2019. Such resolution would be consistent with our statutes. Accordingly, I move that we find DEC's fuel purchasing practices and policies, plant operations, and fuel inventory management just, reasonable, and prudent. I further move that we find just, reasonable, and prudent the methodology for determining the environmental cost component of the fuel factor and the methodology for allocation and recovery of the capacity-related cost component of the fuel factor.

DEC's proposed fuel factor as reflected in Witness McGee's Rebuttal Testimony and Exhibits, is likewise just, reasonable, and prudent.

I move that we find that the terms set out in the Stipulation are consistent with the standards for fuel review proceedings conducted pursuant to S.C. Code Ann. § 58-27-865 (2015), and that the Stipulation is just, reasonable, and supported by the substantial evidence in the record.

Mr. Chairman, during the proceeding we heard from the South Carolina Coastal Conservation League and the Southern Alliance for Clean Energy's Witness Lander. Mr. Lander argued that the Company should, at a minimum, track its gas pipeline utilization at a more granular scale to see if there are opportunities to resell unused pipeline capacity. During the hearing, the Company's witness, Mr. Phipps, testified that the Company could track its gas pipeline utilization at a more granular scale to identify if there are opportunities to resell unused pipeline capacity. In future fuel cases, the Company should have such available hourly and daily metered usage readily available for production. Additionally, I move that the Commission require the Company to present evidence in its next fuel case regarding whether or not it can monetize the unused gas capacity on days when the system is not constrained. I firmly believe this enquiry is important because of the potential benefit to ratepayers from sales of unused natural gas capacity.

PRESIDING: Randall

SESSION: Regular

TIME: 2:00 p.m.

MOTION YES NO OTHER

BELSER

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ERVIN	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
HAMILTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
HOWARD	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
RANDALL	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
WHITFIELD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
WILLIAMS	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Absent

Commission Business

(SEAL)



RECORDED BY: J. Schmieding